

Message Text

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TAGS: BTIO, SA

SUBJECT: INVESTMENT OPPORTUNITY: CONSTRUCTION OF MASSIVE HOUSING
PROJECT

1. FIRM AND INDIVIDUAL REQUESTING US COLLABORATION:

KHALID TURKI, MANAGING DIRECTOR
TRADING AND DEVELOPMENT COMPANY
P.O. BOX 215
DHAHRAN, SAUDI ARABIA

2. PRESENT BUSINESS:

IMPORTER, MANUFACTURERE (THROUGH SISTER COMPANY),
PETROLEUM SERVICES (ALSO THROUGH SISTER COMPANY)

3. WTDR: UNDER PREPARATION.

4. TYPE OF U.S. COLLABORATION SOUGHT: JOINT VENTURE

5. FORM OF US PARTICIPATION SOUGHT: TECHNICAL KNOW-HOW
AND FINANCIAL

6. RETURN OFFERED TO US PARTICIPATION: MAMAGEMENT AND
EQUITY.

7. 3272229 COMPANY PROPOSING JOINT VENTURE WISHES TO
IDENTIFY US COMPANY WITH PROVEN, RPT, PROVEN EXPERTISE
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PAGE 02 DHAHRA 00229 220722Z

IN FIELD OF MASS-PRODUCED HOUSING USING CEMENT AS PRIMARY

BUILDING MATERIAL. US COMPANY MAY BE SPECIALIST IN HIGH-RISE AND/OR SINGLE UNIT DESIGN AND CONSTRUCTION. INDIVIDUAL UNITS WILL RANGE 1000 TO 2000 SQUARE FEET IN SIZE AND PROPOSING COMPANY, WHICH HAS EXCELLENT WORKING RELATIONS WITH SAUDI ARABIAN GOVERNMENT, IS SATISFIED THERE ARE GOVERNMENT CONTRACTS AVAILABLE IN RANGE OF 100,000 TO 180,000 UNITS. THOSE INTERESTED IN THIS INVESTMENT OPPORTUNITY SHOULD APPRECIATE THAT SAUDI GOVERNMENT IS COMMITTED TO AN EXPANSION OF ITS HOUSING PROGRAM (WHICH HAS VERY HIGH PRIORITY) AND CAN ASSURE LONG-TERM MARKET FOR JOINT VENTURE. ALTHOUGH COMPANY PROPOSING THIS IO, WE JUDGE, HAS LIMITED CAPITAL RESOURCES, THE EAGERNESS OF GOVERNMENT TO PROVIDE HOUSING ON A MASSIVE SCALE, SUGGESTS THAT ATTRACTIVE GOVERNMENT FINANCING CAN BE NEGOTIATED, AS HAS BEEN THE CASE FOR OTHER PROJECTS DEEMED IMPORTANT FOR THE NATION'S ECONOMIC DEVELOPMENT.

SPECIAL HANDLING REQUEST THIS IO HOLDS PROSPECT OF BEING VERY LARGE PROJECT AND, AS SUCH, WOULD BE OF INTEREST AND WITHIN THE CAPACITY OF ONLY THE LARGER US COMPANIES IN THE CONSTRUCTION FIELD. NOTE THAT THE GOVERNMENT HAS PREVIOUSLY GONE TO IBRD TO DEVELOP LIST OF CONSTRUCTION COMPANIES QUALIFIED TO HANDLE MAJOR HOUSING PROJECTS. THAT EFFORT PRODUCED A SMALLER LIST THAN HOPED. CONSEQUENTLY THE COMPANY PROPOSING THIS IO BELIEVES THAT THE TIME IS RIPE TO APPROACH THE GOVERNMENT WITH A SOLID PROPOSAL AND, GIVEN ITS ACCESS TO GOVERNMENT, IMPORTANT CONTRACTS CAN BE AWARDED TO THE JOINT VENTURE WHICH THE SAUDI COMPANY WOULD LIKE TO FORGE WITH AN EXPERIENCED US COMPANY IN THE FIELD. THEREFORE, IT IS REQUESTED THAT THIS IO BE BROUGHT TO THE ATTENTION OF SELECTED LARGE COMPANIES IN THE INDUSTRY WHICH HAVE THE CAPACITY AND KNOW HOW TO TAKE ADVANTAGE OF THE OPPORTUNITIES OPEN IN SAUDI ARABIA'S HOUSING MARKET. SPECIAL NOTE: FOR MORE BACKGROUND ON MR. TURKI, READ DHAHRAN'S A-2, DATED FEB 6, 1976. BUSHNELL

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